

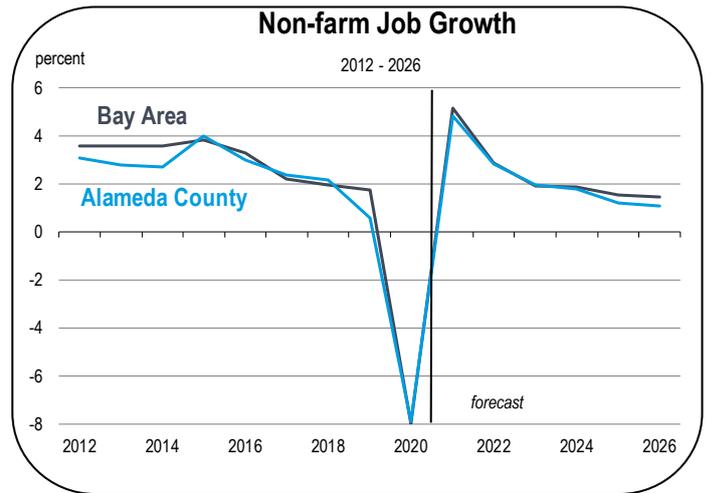
Alameda County Economic Forecast

Forecast Summary

- On an annual average basis, 36,100 non-farm jobs will be restored in Alameda County during 2021.
- A full labor market recovery is expected by 2023.
- Employment gains in 2021 will be largest in leisure services, professional business services, private education and healthcare, and retail trade.
- The unemployment rate averaged 8.8 percent in 2020. It is expected to average 6.2 percent in 2021, and 4.3 percent in 2022.
- The Alameda County population is expected to grow more quickly than the Bay Area average during the forecast period.
- Fewer homes will be built between over the forecast period than were built during the previous five years.
- Home prices surged unexpectedly in 2020, rising by 11 percent. Price are expected to increase by another 6 or 7 percent in 2021.

Job Growth

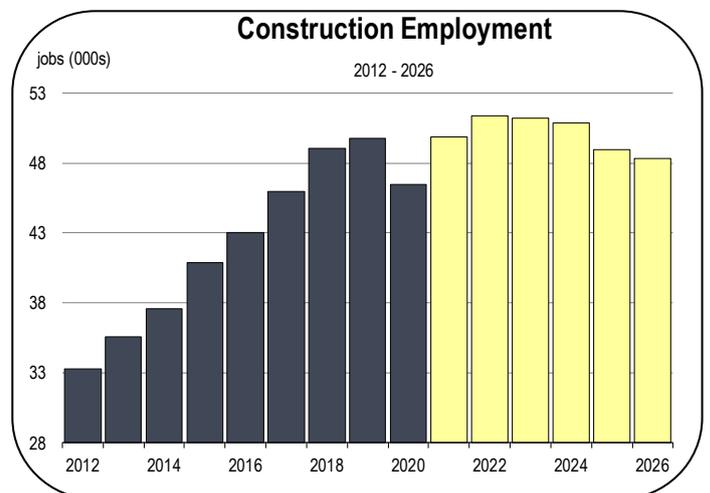
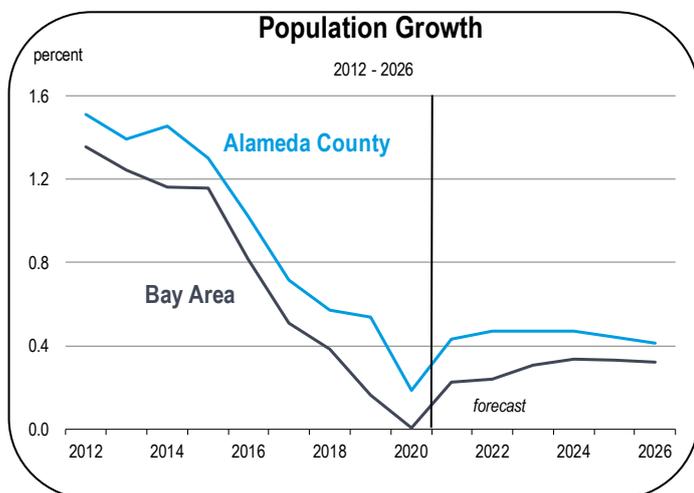
- Total employment in Alameda County will expand by 4.8 percent in 2021 on an annual average basis.



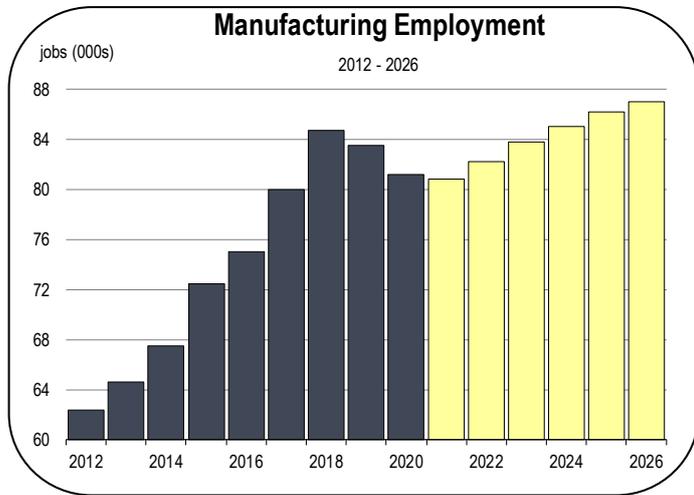
- Over the entire forecast period, job growth in Alameda County will be similar to the Bay Area average.

Construction Employment

- The Coronavirus Recession had a meaningful impact on the construction industry, with construction employment declining by 7 percent on an annual average basis.
- Construction employment should return to pre-recession levels in 2021, though the expansion of these jobs will be limited due to modest new development activity over the forecast.



Alameda County Economic Forecast

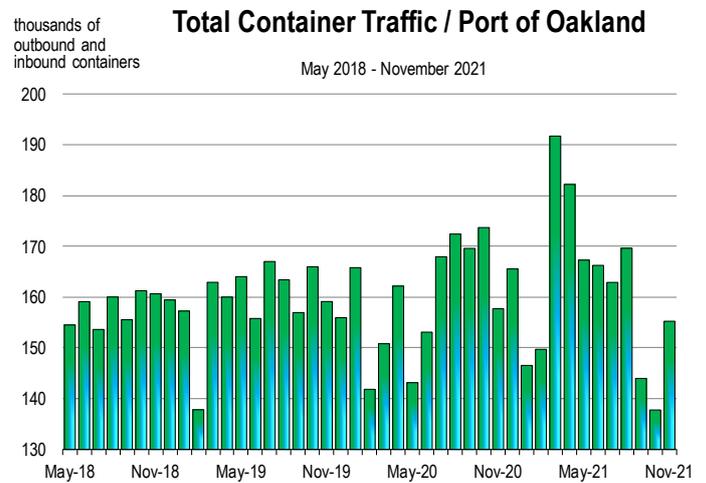
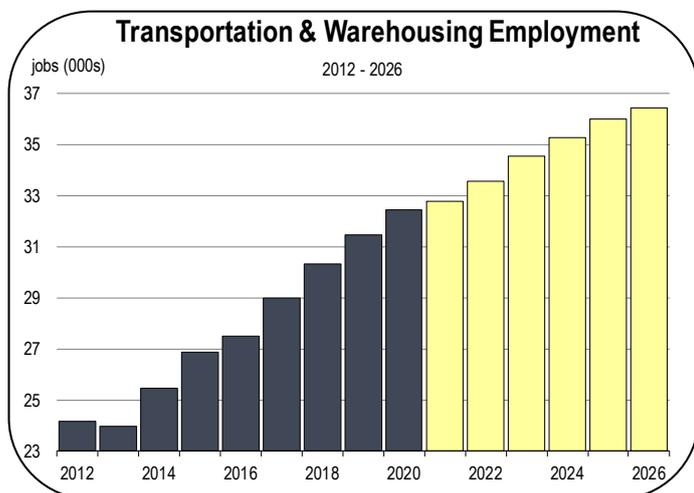


Manufacturing Employment

- Manufacturing employment declined by 2.8 percent during 2020, a loss of 2,300 jobs.
- A rebound is expected to begin by 2022, with a slower rate of reinstatement in net employment forecast over time.

Transportation and Warehousing Employment

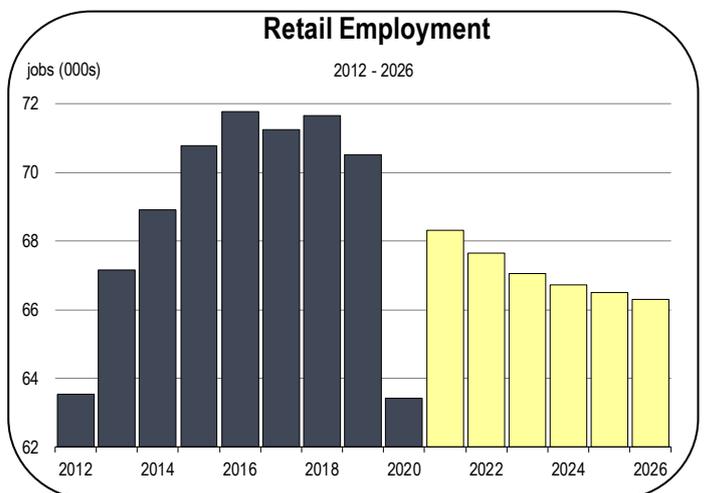
- Most transportation jobs in Alameda County are in trucking and warehousing, where firms deliver goods to and from the Port of Oakland, and store these goods in logistics facilities.
- A high share of Alameda County transportation jobs are in delivery firms like UPS and FedEx, at ground transportation organizations like BART, and at Oakland International and other airports.



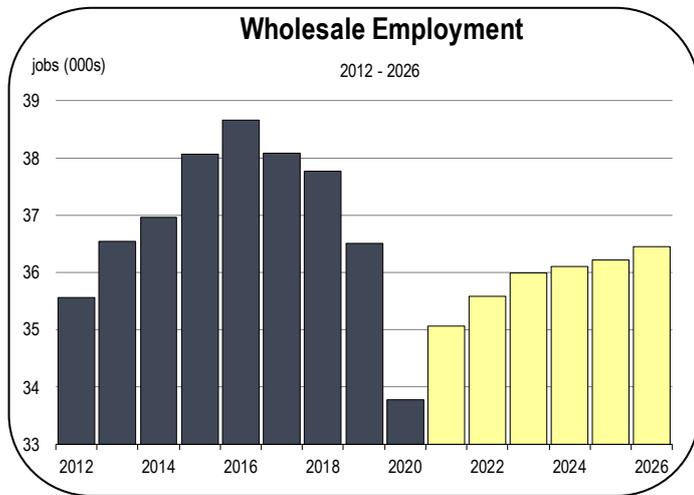
- Even though ridership declined by 87 percent, BART, one of the largest employers in Alameda County, did not lay off workers during the pandemic, instead choosing to offer older workers early retirement incentives at the end of the year.
- Trade flows through the Port of Oakland remained active following the initial shock during the early months of the pandemic.
- Total annual outbound and Inbound container volume was off only slightly in 2020, and through mid-2021, monthly volume had reached record levels.

Retail Trade Employment

- The retail sector was decimated in 2020, declining by 10 percent and losing 7,100 jobs.
- Losses were largest at car dealers, clothing stores, and big box department stores.



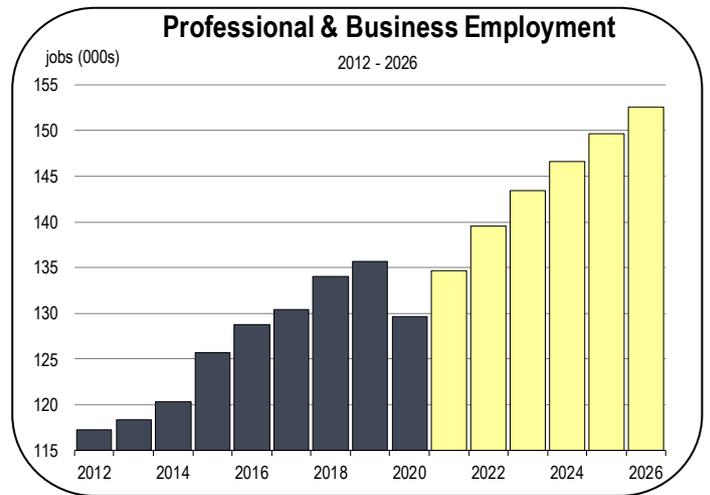
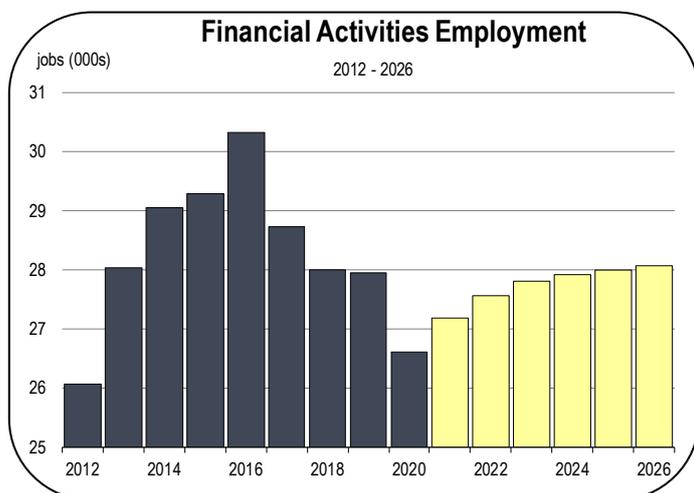
Alameda County Economic Forecast



- Grocery store employment expanded during 2020.
- Retail employment will rebound sharply in 2021 as storefronts open up to higher capacities
- Automation and the transition to online shopping will lead to the necessity for fewer retail workers at local brick-and-mortar establishments between 2022 and 2026.

Wholesale Trade Employment

- Wholesale trade employment contracted by 7.5 percent in 2020.
- A rebound in wholesale trade employment is forecast in 2021.
- Due to automation and the consolidation of distribution activities with warehousing and fulfilment centers, direct wholesale brokerage employment opportunities will likely be limited going forward.



Financial Activities Employment

- Financial activities employment was impacted substantially by the recession and restricted business conditions.
- Losses were largest at banks, insurance firms, and car rental agencies.
- The recovery is expected to be relatively slow, with growth concentrated in the real estate services sector.

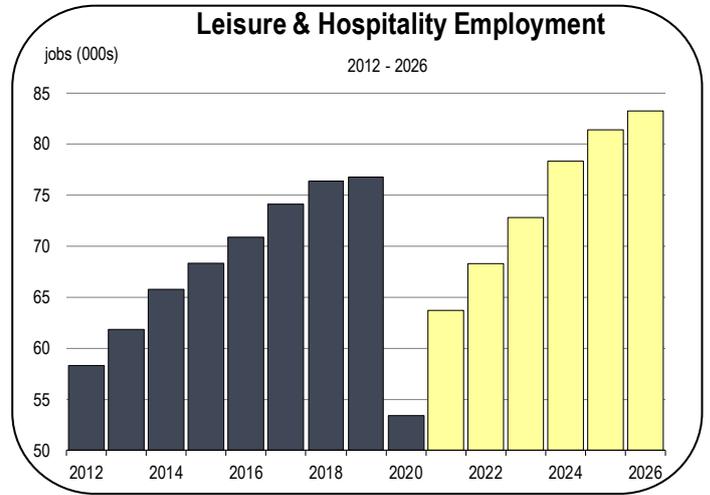
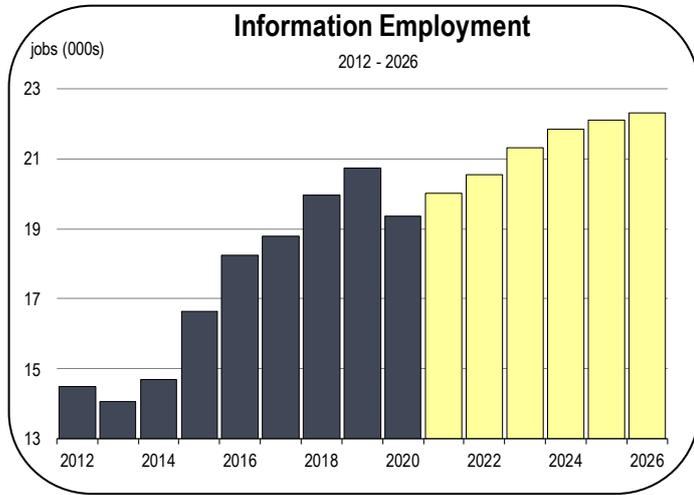
Professional and Business Services Employment

- The professional and business services industry has a diverse array of subsectors, and each was affected differently during the recession.
- The largest losses were in staffing agencies, which primarily employ temp workers. Staffing agencies are expected to bounce back quickly in 2021 and 2022.
- Over the long term, growth is expected to be strongest in scientific research labs and custom IT consulting.

Information Employment

- In Alameda County, the information sector is dominated by software publishers like EMC Corporation, as well as data and Internet service companies like Pandora.
- Layoffs were observed across most subsectors in 2020, including software and Internet/data services.
- Over the forecast period, information services will be among the fastest growing industries in Alameda County, with virtually all growth occurring in software and Internet/data.

Alameda County Economic Forecast



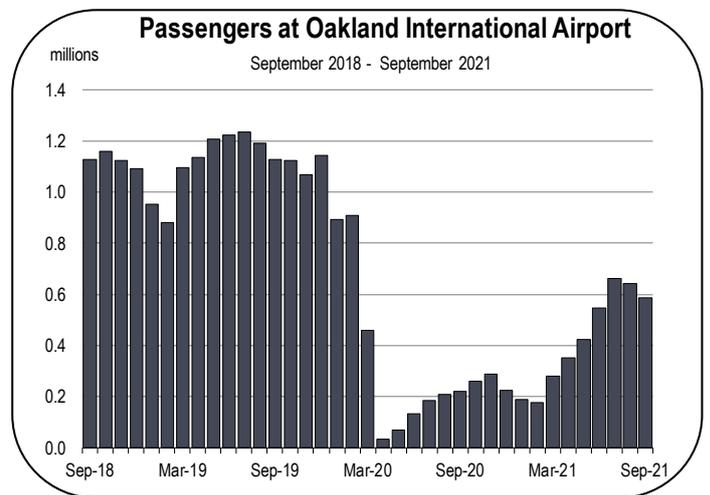
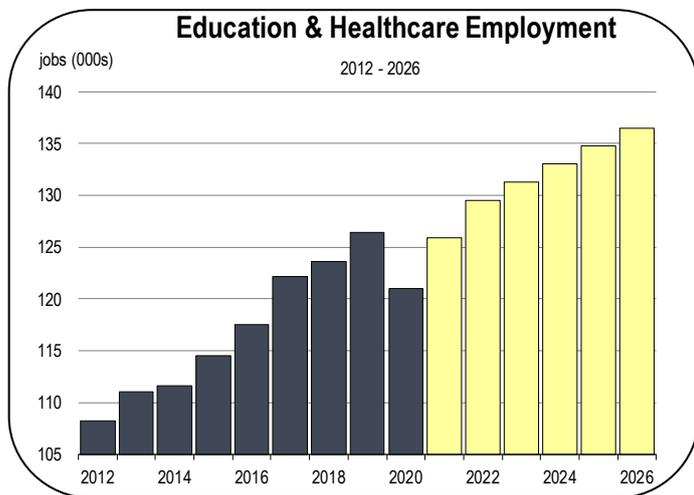
- Employment growth is expected to be stagnant in other subsectors, including telecommunications, movie theaters, and newspapers.

Private Education and Healthcare Employment

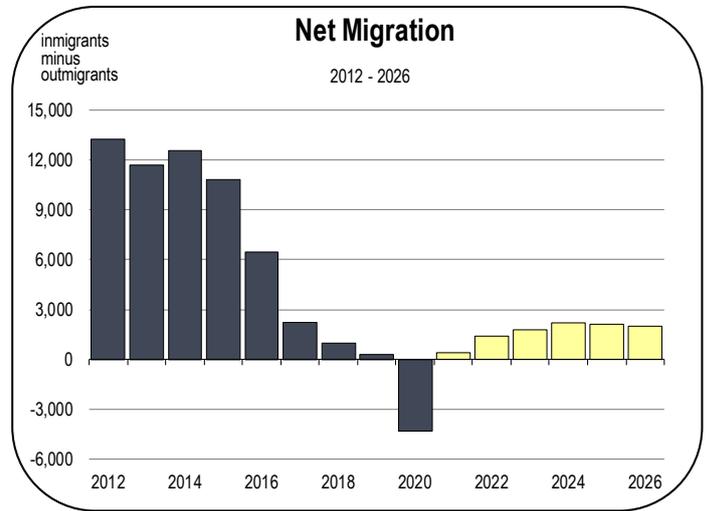
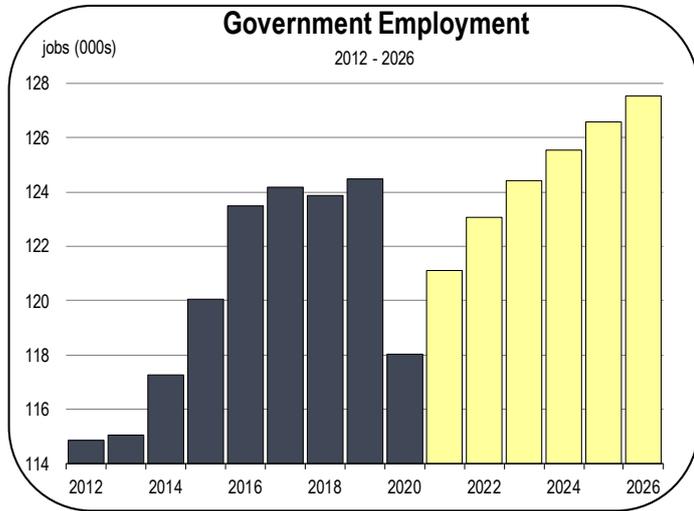
- The private healthcare and education industries were characterized by job losses that would have been large in most recessions, but were fairly moderate for the Coronavirus Recession.
- Employment at doctor and dentist offices contracted modestly.
- Private schools and tutoring centers declined sharply.
- Overall, the healthcare and education industry will recover most or all of the pandemic impacted job loss in 2021. Another 3,600 jobs will be created in 2022.

Leisure and Hospitality Employment

- Leisure and hospitality firms were impacted by restricted business conditions more than any other type of company.
- On an annual average basis, 23,400 jobs were lost in 2020, a decline of 31 percent.
- Leisure and hospitality employment could rebound sharply in the second half of 2021.
- Visitor and business travel are critical to the leisure and hospitality industry. Passenger traffic through Oakland International Airport is still anemic but began to rebound in the second half of 2021.
- California plans to lift most business restrictions in June 2021, which could pave the way for a surge in travel, dining, drinking, and recreation throughout Alameda County.



Alameda County Economic Forecast



- We expect the leisure and hospitality sector to regain 10,300 jobs in 2021 and another 4,600 jobs in 2022, but it could take several years for the industry to fully recover.

Government Employment

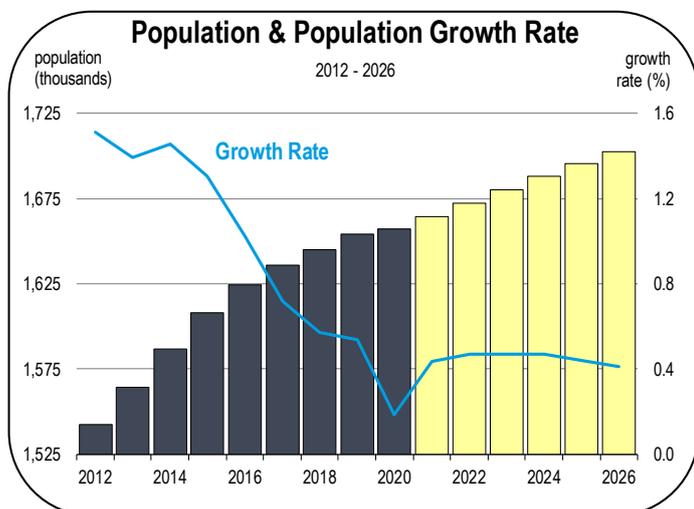
- State and local government agencies lost 7,000 jobs during 2020.
- Federal government agencies added 500 jobs in 2020, but this was mainly due the Decennial Census, which creates temporary government jobs every 10 years. These Census jobs have already ended.
- Some state and local government positions will be restored in fiscal 2022 (beginning in July 2021) because city tax revenues

increase, the cities and counties benefit from American Rescue Plan aid, and in-person schools recommence in the Fall of 2021.

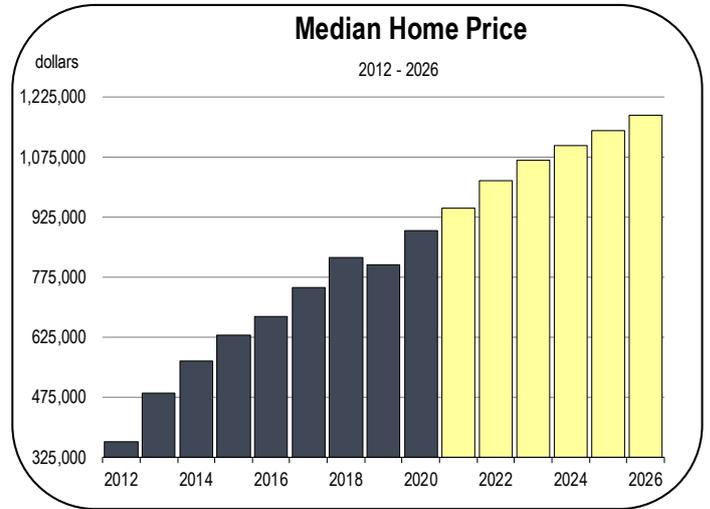
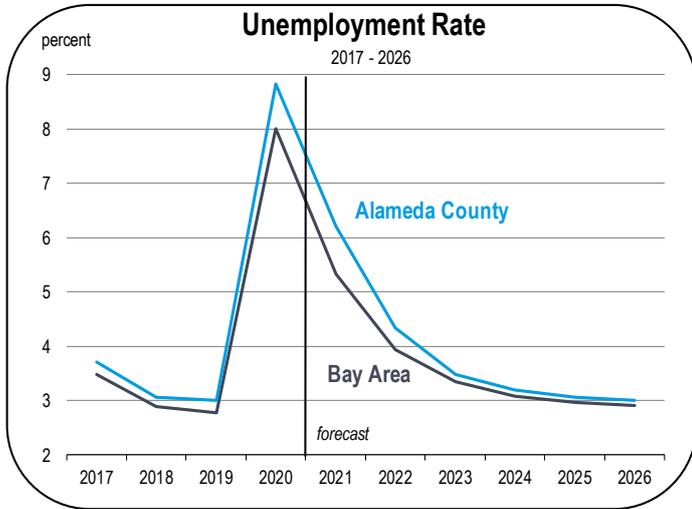
- State and local government employment is forecast to recover by 2023.

Population Growth

- Approximately 4,200 net migrants left Alameda County in 2020.
- The number of people moving out of Alameda county did not change substantially in 2020, but far fewer residents moved into the county.
- The Alameda County population is expected to expand at an annual rate of 0.4 percent between 2021 and 2026, which is faster than the Bay Area average but still relatively slow.
- Net migration is expected to be low during the forecast period.
- The relative lack of housing affordability in Alameda County is and will continue to motivate current residents to relocate to alternative locations preventing perspective residents from moving into the county.
- Net in-migration has been in continuous erosion since 2015.
- An average of just 1,600 net migrants will move into the county each year between 2021 and 2026.
- By 2026 the population will reach 1.7 million residents.



Alameda County Economic Forecast



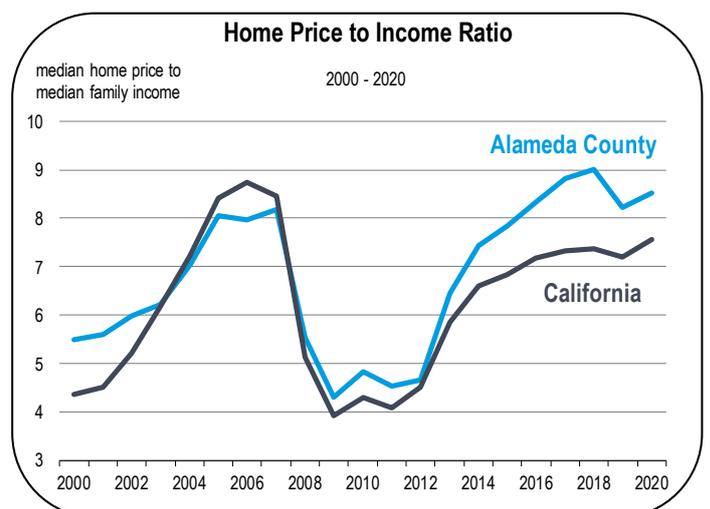
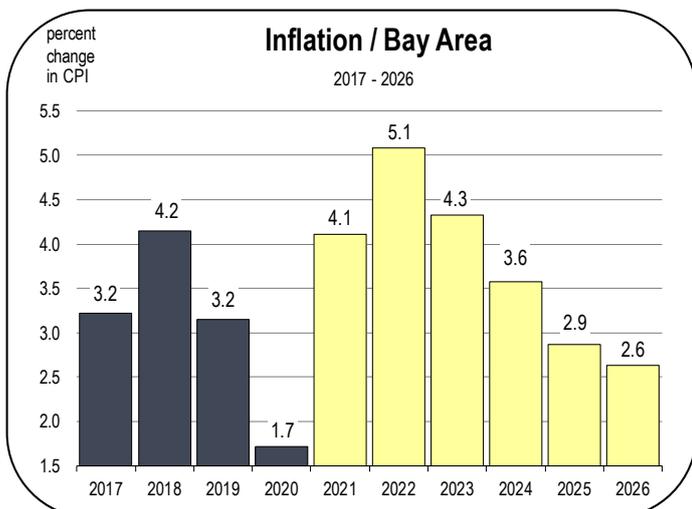
Unemployment and Inflation Rates

- The unemployment rate in Alameda County averaged 8.8 percent in 2020, which was above the composite rate for the Bay Area.
- The unemployment rate is expected to average 6.2 percent in 2021 and 4.3 percent in 2022.
- Inflation decelerated sharply in 2020, largely because energy prices declined when the demand for fuels plunged.
- Inflation soared in 2021 and is expected to remain elevated for several years.
- Over the forecast period, there will be a number of factors that will contribute to high inflation. The most prominent will be:
 - Record levels of spending by consumers and government agencies
 - Fractures in the global supply chain that raise the cost of production for many businesses

- Sharp increases in the cost of housing and energy
- Labor market recruitment challenges that force companies to raise wages
- Combined, these factors will push inflation to its highest rates in 30 years. Ultimately, it will reduce the purchasing power of households and negatively impact consumer confidence, limiting the growth potential of the economy in 2022.
- However, inflation will begin to decelerate as supply chains and the labor force are restored by the second half of the forecast period, eventually falling below 3 percent.

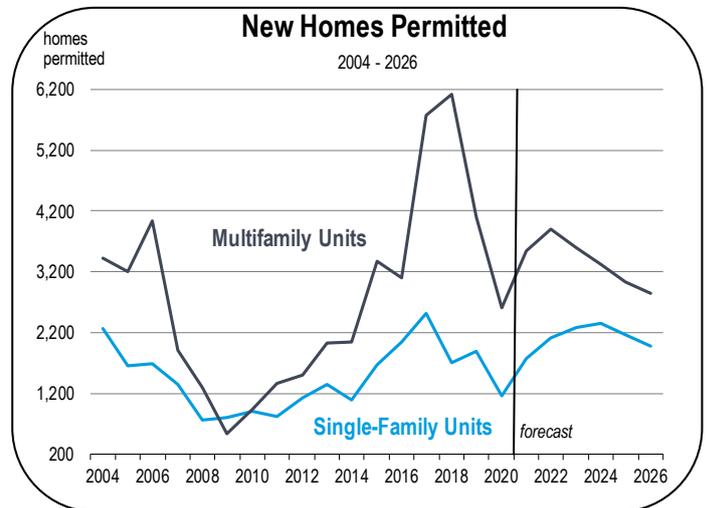
Home Prices and New Housing Production

- In 2020 the median home price in Alameda County was \$891,200, an increase of 11 percent from the previous year.
- The median price is forecast to rise by 6 to 7 percent in 2021 and another 7 or 8 percent in 2022.



Alameda County Economic Forecast

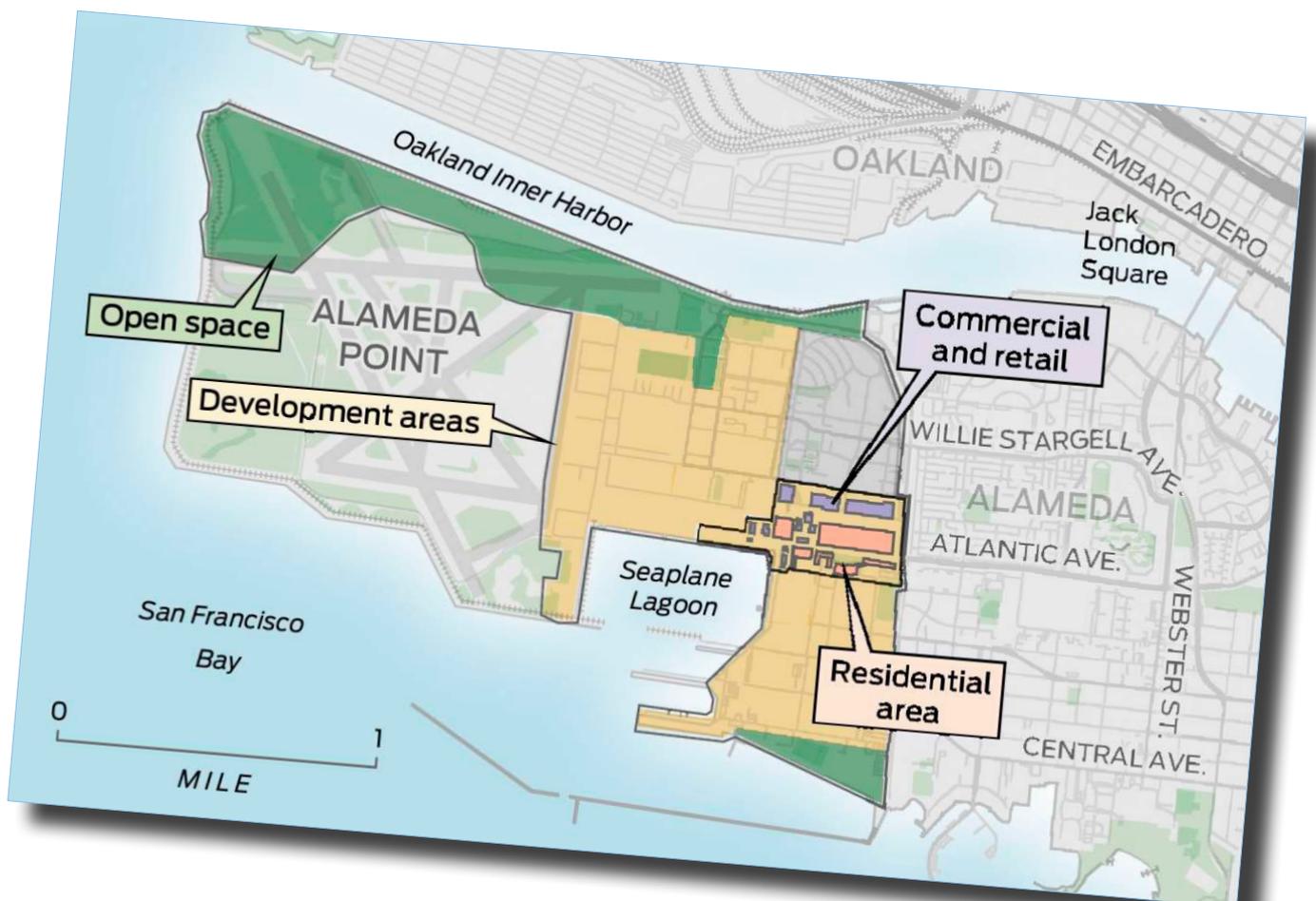
- The median price has become prohibitively expensive in Alameda County.
- A 20 percent down payment on a typical home in Alameda County approached \$180,000 in 2020, which is out of reach for most households.
- Without a 20 percent down payment, mortgage costs would consume more than 40 percent of income for the typical household, which exceeds most affordability guidelines.
- From 2015 to 2020, an average of 6,000 new homes were started per year in Alameda County. Approximately 70 percent were apartments and condos.
- Housing production is forecast to average 5,500 homes per year from 2021 to 2026, consisting primarily of apartments and condos.
- There are 50,000 housing units in the Alameda County development pipeline.
- More than 20,000 units could be developed in Oakland over the next two decades, along with 10,000 units in Fremont, 6,000 units in Newark, 3,000 units in the City of Alameda, and 3,000 units in Berkeley.



Construction in Oakland

Alameda County Economic Forecast

- The Alameda Point project will deliver 800 homes, a full service hotel, parks, and 500,000 square feet of retail space. A new ferry terminal is planned with ferry service to San Francisco.
- The Alameda Point project is a reuse of former military buildings. Infrastructure development is now complete and for vertical construction are in progress.
- The Brooklyn Basin project will include 3,700 homes. A total of 241 apartments and the first retail development have been completed at the site, which is a previous industrial waterfront area on the Oakland Estuary.
- Within Brooklyn Basin, the Township Commons park was completed and opened last Fall.
- Phase 1 of Brooklyn Basin will be complete by mid-2023 with 1,300 units.
- Phase 2 is scheduled for completion by the end of 2023 with another 1,200 units



Alameda Point Project Area

Alameda County Economic Forecast

Economic Indicators

2015-2020 History, 2021-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (billions)	Total Taxable Sales (billions)	Real Industrial Production (billions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production Rate (millions)	Inflation Rate (percent)
2015	1,607,740	557.1	10,835	5,041	1,356	\$104.5	\$18.5	\$30.0	\$21.8	\$75,409	5.9	\$58	2.6
2016	1,624,155	560.8	6,462	5,157	1,339	\$111.9	\$19.2	\$31.2	\$22.5	\$77,648	4.8	\$54	3.0
2017	1,635,810	564.4	2,206	8,290	1,336	\$119.4	\$20.4	\$32.7	\$23.9	\$79,703	4.3	\$52	3.2
2018	1,645,186	569.6	984	7,818	1,345	\$128.7	\$22.4	\$35.1	\$24.2	\$82,228	3.7	\$58	4.2
2019	1,654,073	574.0	323	6,006	1,370	\$135.7	\$21.5	\$35.1	\$24.0	\$83,430	3.1	\$57	3.2
2020	1,657,161	579.1	-4,293	3,763	1,332	\$141.2	\$19.3	\$31.8	\$26.3	\$85,218	3.0	\$58	1.7
2021	1,664,366	579.1	401	5,315	1,349	\$147.8	\$21.3	\$33.8	\$25.7	\$86,155	8.8	\$58	4.1
2022	1,672,221	583.1	1,398	6,027	1,353	\$155.3	\$21.9	\$35.1	\$26.2	\$87,575	6.2	\$58	5.1
2023	1,680,090	588.9	1,779	5,874	1,358	\$164.6	\$22.7	\$36.5	\$27.2	\$89,776	4.3	\$58	4.3
2024	1,688,002	593.2	2,197	5,665	1,364	\$174.2	\$23.5	\$37.7	\$28.0	\$91,894	3.5	\$58	3.6
2025	1,695,427	596.8	2,114	5,196	1,370	\$183.1	\$23.9	\$38.5	\$28.9	\$93,590	3.2	\$58	2.9
2026	1,702,402	600.4	1,995	4,817	1,376	\$192.3	\$24.3	\$39.2	\$29.7	\$95,312	3.1	\$58	2.6
2027	1,708,903	603.8	1,878	4,104	1,382	\$202.0	\$24.7	\$39.9	\$30.5	\$97,205	3.0	\$58	2.4
2028	1,715,152	606.7	1,896	3,679	1,390	\$212.3	\$25.2	\$40.5	\$31.3	\$99,183	3.0	\$58	2.5
2029	1,721,156	609.2	1,818	3,351	1,400	\$221.4	\$25.9	\$41.6	\$31.9	\$100,381	3.0	\$58	2.4
2030	1,726,911	611.6	1,748	3,209	1,411	\$230.8	\$26.8	\$42.9	\$32.3	\$101,632	2.9	\$58	2.4
2031	1,732,111	614.0	1,611	3,187	1,423	\$240.0	\$27.5	\$44.1	\$32.9	\$102,821	2.9	\$58	2.5
2032	1,736,768	616.4	1,501	3,161	1,435	\$249.0	\$28.2	\$45.3	\$33.3	\$103,647	2.9	\$58	2.4
2033	1,740,985	618.7	1,389	3,132	1,446	\$258.6	\$29.0	\$46.5	\$33.8	\$104,971	2.9	\$58	2.2
2034	1,744,815	620.9	1,410	3,106	1,456	\$268.6	\$29.7	\$47.7	\$34.3	\$106,183	2.9	\$58	2.3
2035	1,748,272	623.1	1,355	3,077	1,462	\$279.0	\$30.6	\$49.1	\$34.7	\$107,344	2.9	\$58	2.3
2036	1,751,331	625.2	1,323	3,047	1,470	\$289.6	\$31.7	\$50.8	\$35.0	\$108,084	2.9	\$58	2.3
2037	1,754,122	627.3	1,271	3,016	1,477	\$300.6	\$32.7	\$52.5	\$35.3	\$108,770	2.9	\$58	2.4
2038	1,756,529	629.4	1,233	2,986	1,483	\$312.1	\$33.7	\$54.1	\$35.6	\$109,688	2.9	\$57	2.3
2039	1,758,630	631.4	1,174	2,955	1,490	\$323.8	\$34.7	\$55.9	\$35.8	\$110,398	2.9	\$57	2.3
2040	1,760,284	633.4	1,123	2,926	1,494	\$335.6	\$35.7	\$57.5	\$36.1	\$111,124	2.9	\$57	2.2
2041	1,761,475	635.3	1,082	2,899	1,499	\$347.4	\$36.7	\$59.0	\$36.5	\$112,182	2.9	\$57	2.3
2042	1,762,350	637.2	1,045	2,876	1,504	\$359.3	\$37.6	\$60.4	\$36.9	\$113,269	2.9	\$57	2.2
2043	1,763,022	639.0	998	2,850	1,507	\$371.2	\$38.5	\$62.0	\$37.3	\$114,366	2.9	\$57	2.1
2044	1,763,526	640.8	968	2,824	1,510	\$383.0	\$39.3	\$63.3	\$37.6	\$115,583	2.9	\$57	2.2
2045	1,763,765	642.6	950	2,800	1,510	\$394.9	\$40.3	\$64.9	\$38.0	\$116,644	2.9	\$57	2.3
2046	1,763,822	644.4	920	2,776	1,510	\$406.8	\$41.3	\$66.5	\$38.2	\$117,514	2.9	\$57	2.3
2047	1,763,647	646.1	888	2,755	1,510	\$418.7	\$42.3	\$68.1	\$38.4	\$118,091	2.9	\$57	2.3
2048	1,763,193	647.8	842	2,730	1,510	\$430.8	\$43.5	\$70.0	\$38.6	\$118,557	2.9	\$57	2.4
2049	1,762,333	649.4	793	2,704	1,510	\$442.9	\$44.6	\$71.8	\$38.7	\$119,312	2.9	\$57	2.1
2050	1,761,083	651.1	762	2,682	1,509	\$455.3	\$45.7	\$73.7	\$38.9	\$119,983	2.9	\$57	2.1

Employment Sectors

2015-2020 History, 2021-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	(thousands of jobs)											
2015	749.4	0.5	40.9	72.5	26.9	108.8	29.3	125.7	16.6	114.5	68.4	120.1
2016	771.9	0.5	43.0	75.0	27.5	110.4	30.3	128.7	18.2	117.6	70.9	123.5
2017	790.3	0.6	45.9	79.9	29.0	109.3	28.7	130.4	18.8	122.2	74.1	124.2
2018	807.5	0.6	49.0	84.7	30.3	109.4	28.0	134.0	20.0	123.6	76.4	123.9
2019	812.1	0.6	49.8	83.5	31.5	107.0	28.0	135.7	20.7	126.5	76.8	124.5
2020	748.0	0.6	46.4	81.2	32.4	97.2	26.6	129.7	19.4	121.0	53.4	118.0
2021	784.1	0.6	49.9	80.8	32.8	103.4	27.2	134.7	20.0	125.9	63.7	121.1
2022	806.1	0.6	51.4	82.2	33.6	103.2	27.6	139.5	20.5	129.5	68.3	123.1
2023	821.8	0.6	51.2	83.8	34.5	103.0	27.8	143.4	21.3	131.3	72.8	124.4
2024	836.4	0.6	50.9	85.0	35.3	102.8	27.9	146.6	21.8	133.1	78.3	125.5
2025	846.2	0.6	49.0	86.2	36.0	102.7	28.0	149.7	22.1	134.8	81.4	126.6
2026	855.3	0.6	48.3	87.0	36.4	102.7	28.1	152.6	22.3	136.5	83.3	127.5
2027	863.8	0.6	47.3	87.7	36.8	102.8	28.2	155.4	22.7	138.2	85.0	128.4
2028	873.0	0.6	46.4	88.4	37.2	103.2	28.3	158.1	23.3	139.8	87.0	129.2
2029	881.3	0.6	45.7	89.1	37.6	103.5	28.4	160.8	23.6	141.4	88.7	129.9
2030	889.4	0.6	45.3	89.3	38.0	103.9	28.5	163.4	24.0	143.0	90.2	130.5
2031	896.4	0.6	45.1	89.6	38.3	104.1	28.6	165.8	24.2	144.6	91.1	131.1
2032	903.0	0.6	44.9	90.0	38.6	104.3	28.7	168.3	24.4	146.1	91.7	131.6
2033	909.1	0.6	44.9	90.2	38.9	104.6	28.7	170.6	24.6	147.6	91.8	132.1
2034	915.9	0.6	44.8	90.4	39.2	105.0	28.8	172.9	24.9	149.0	92.8	132.5
2035	922.0	0.6	44.8	90.6	39.5	105.2	28.9	175.1	25.1	150.5	93.5	132.8
2036	928.2	0.6	44.8	90.8	39.7	105.6	29.0	177.2	25.2	151.9	94.2	133.1
2037	933.9	0.6	44.8	90.9	40.0	105.9	29.0	179.3	25.4	153.3	94.9	133.4
2038	939.6	0.6	44.8	91.1	40.2	106.3	29.1	181.3	25.5	154.6	95.6	133.7
2039	944.9	0.6	44.7	91.1	40.4	106.6	29.2	183.3	25.7	155.9	96.2	133.9
2040	950.0	0.6	44.7	91.2	40.6	106.9	29.2	185.2	25.7	157.2	96.8	134.1
2041	954.9	0.6	44.6	91.4	40.9	107.0	29.3	187.0	25.8	158.5	97.5	134.3
2042	959.7	0.6	44.5	91.7	41.0	107.2	29.3	188.8	25.9	159.7	98.1	134.4
2043	964.2	0.6	44.5	91.7	41.2	107.3	29.4	190.6	25.9	160.9	98.8	134.6
2044	968.6	0.6	44.5	91.7	41.4	107.5	29.4	192.3	25.9	162.1	99.5	134.7
2045	973.0	0.6	44.4	91.7	41.6	107.7	29.5	193.9	26.0	163.3	100.2	134.8
2046	977.3	0.6	44.4	91.8	41.7	107.9	29.5	195.5	26.2	164.4	100.8	134.8
2047	981.3	0.6	44.3	92.0	41.9	108.0	29.6	197.0	26.2	165.5	101.4	134.9
2048	985.1	0.6	44.3	92.0	42.0	108.2	29.6	198.5	26.2	166.6	101.9	135.0
2049	988.6	0.6	44.3	91.9	42.1	108.3	29.7	200.0	26.2	167.7	102.5	135.0
2050	992.1	0.6	44.2	91.9	42.3	108.6	29.7	201.4	26.2	168.7	103.0	135.0

Alameda County Economic Forecast

Socioeconomic Indicators

